

IN SENATE OF THE UNITED STATES,

JANUARY 23, 1826.

MR. SMITH, from the Committee on Finance, to which was referred the memorial of Henry Rice and others,

REPORTED.

That the port of Castine was taken possession of by the enemy, during the late war, and held until the peace; that, during that period, a considerable quantity of British goods had been introduced, and the duties imposed by the British authorities paid thereon; that, on the restoration of that port, the Collector returned and exacted bonds for the usual duties on such goods, as if the same had been regularly imported into a place held by the United States; most of those bonds were paid; on one, a suit was brought, and, whilst pending before the Supreme Court, a memorial was presented to the House of Representatives and referred to the Committee of Ways and Means, who declined to act, until a decision should be had in the court; a judgment having been obtained in favor of the defendants, the memorial was again presented, and the Committee of Ways and Means reported a bill in favor of the memorialists; the House amended the bill, so as to include only those persons who were presumed to be inhabitants or purchasers from those who had resided at Castine whilst in possession of the enemy, and added a proviso to the bill, to wit: "Provided, that it shall be proved, to the satisfaction of the Secretary of the Treasury, that the claimants named in the bill were residents of Castine, or Bucksport, or purchasers from residents, of the goods on which the duties have been imposed." The bill, thus amended, passed both Houses on the 11th day of April, 1820.

The memorialists, at the next session, prayed payment for those persons who had not been included in that act, and continued their application until an act passed, on the 19th May, 1824, in favor of the persons named therein; but, it so happened that the names of the present claimants were not included, and they now pray that similar justice may be granted to them as has been granted to all the others similarly situated. The Committee think that the prayer of the memorialists ought to be granted.

The Committee further report, that, soon after the decision of the Supreme Court, the Secretary of the Treasury released all the unpaid

bonds given at Castine, to the amount of \$27,581 50, the bond of an American citizen, and \$7,955 06, given by R. Hasbuck, a British subject.

Eastport had continued in possession of the enemy, until it was surrendered under the treaty of Ghent. Whilst possessed by the British authorities, and under the expectation of its surrender, the Collector requested instruction, as to the following question, from the Treasury Department: Question. "On the restoration of the island, shall the Collector take possession of all merchandise of foreign growth, produce, and manufacture, and detain the same until the customary duties are paid, or secured to be paid?" The Attorney General answered in the negative.

It appears, by a document submitted, that, when New Orleans was delivered to the United States, no duties were exacted on the goods in that city, at the period when it was received by the United States.

The Committee do not perceive that the residence of the importer or owner of the goods can vary the law in the case. The decision of the Supreme Court is, "that duties could not be legally exacted upon any part of these goods by the United States," and it is presumed that those persons who voluntarily submitted to the authority of the Custom house officers, should not be placed in a worse situation than others who refused to comply with the requisition of the Collector.